

HOUSE BILL 4002
By McMillan

AN ACT to amend Tennessee Code Annotated, Sections 50-7-403(b)(1)(A) and (B), 50-7-403(g), 50-7-404(f) and 50-7-451(b)(1), relative to unemployment compensation.

BE IT ENACTED BY THE GENERAL ASSEMBLY OF THE STATE OF TENNESSEE:

SECTION 1. Tennessee Code Annotated, Section 50-7-403(b)(1)(A) is amended by deleting the language “tables 1, 2, 3, 4, 5 and 6” in the last sentence and substituting instead the language “in premium rate table 1, 2, 3, 4, 5, 6a or 6b”.

SECTION 2. Tennessee Code Annotated, Section 50-7-403(b)(1)(B)(i) is amended by deleting the language “tables 1, 2, 3, 4, 5 and 6” in the fourth sentence of the last paragraph and substituting instead the language “table 1, 2, 3, 4, 5, 6a or 6b”.

SECTION 3. Tennessee Code Annotated, Section 50-7-403(b)(1)(B)(ii) is amended by deleting the language “tables 1, 2, 3, 4, 5 and 6” in the second sentence of the first paragraph and substituting instead the language “table 1, 2, 3, 4, 5, 6a or 6b”.

SECTION 4. Tennessee Code Annotated, Section 50-7-403(g), is amended by deleting the first sentence of such subsection in its entirety and by substituting instead the following:

Variations from the standard rate of premiums for employers other than those referred to in Section 50-207(b)(3)(A) and (B) shall be determined, beginning July 1, 2006, by the reserve ratio of each employer in accordance with premium rate table 1, 2, 3, 4, 5, 6a or 6b as set forth below, depending on the provisions of subsection (j). Premium tables 1, 2, 3, 4, 5 and 6a apply for the calendar quarters prior to the sunset of the Tennessee job skills fee, as provided in Section 50-7-451(b)(1), and premium tables 1, 2, 3, 4, 5 and 6b apply for the calendar quarters after the sunset of the Tennessee job skills fee.

This subsection is further amended by deleting the heading in the Premium Rate Chart for Nongovernmental Employers which reads “Premium Table 6 Trust Fund \$750 million and over” and substituting instead:

Premium
Table 6a
Trust Fund \$750
million
and
over

This subsection is further amended by adding the following new premium rate table to the Premium Rate Chart for Nongovernmental Employers:

Premium
Table 6b
Trust Fund
\$750 million
and over
.00
.05
.10
.17
.25
.45
.65
.85
1.15
1.45
1.75
2.05
2.45
5.00
5.50
6.00
6.50
7.00
7.50
8.00
8.50
9.00
9.50
10.00

SECTION 5. Tennessee Code Annotated, Section 50-7-404(f)(1), is amended by deleting the language “March 31” in the next to last sentence and substituting instead the language “the final day of February”.

SECTION 6. Tennessee Code Annotated, Section 50-7-451(b)(1), is amended by deleting the language “tables 1, 2, 3, 4, 5, and 6” in the first sentence of such subdivision and substituting instead the language “table 1, 2, 3, 4, 5, 6a or 6b”.

This subdivision is further amended by deleting the language “premium rate table 6” in the second sentence and substituting instead the language “premium rate table 6a”.

SECTION 7. Section 5 of this Bill shall take effect July 1, 2006, and all other Sections shall take effect upon becoming law, the public welfare requiring it.